(c) and (d) Section 10 of the Special Economic Zones Act, 2005 provide for suspension of the Letter of Approval and appointment of an Administrator to discharge the functions of the developer if at any time the Board of Approval is of the opinion that a developer has violated the terms and conditions of the Letter of Approval.

(e) Does not arise.

Proactive trade negotiations of FTA and PTA

3692. SHRI MAHENDRA MOHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have called upon the textiles industry to be more aggressive and proactive in trade negotiations, conducted at the time of conclusion of FTAs and PTAs, so that their interests are not by passed by the developed countries;

(b) if so, what incentives have been provided by DEPB to the textiles exporters;

(c) whether Government also propose to rationalize various provisions in Rules of Origin (RoO) in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) While negotiating PTAs and FTAs, extensive consultations are held with all sectors of the industry, including the textile industry, in order to take their sensitivities and interests into consideration.

(b) The DEPB Scheme neutralizes the duty suffered on the deemed import content used in the manufacture of the export product. Benefits under the DEPB Scheme are allowed as per the DEPB rates for different export products, including textile products, as notified by the Directorate General of Foreign Trade (DGFT) from time to time. The DEPB rates on textile products range from 0.9% to 7% at present.

(c) and (d) Rules of Origin are the criteria to determine the 'origin' of a product on which tariff concessions are to be given. The objective of framing Rules of Origin is to prevent deflection of trade from non-FTA countries. In order to meet this objective, the qualifying criteria in India's FTAs has been

based on simultaneous application of local value added content, change in tariff classification (change at 4-digit or 6-digit ITC Harmonised System level), and detailed non-qualifying operations.

Reconsideration of SEZ scheme

†3693. SHRI DATTA MEGHE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether keeping in view the protests against setting up of Special Economic Zones in the country particularly in Nandigram in West Bengal, reconsideration has been proposed in this regard;

(b) if so, the details of the rules formulated thereof; and

(c) the provisions made to take complete care of farmers' interests in Special Economic Zones in the future?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) Various issues concerning the Special Economic Zones (SEZs) including issues relating to land acquisition for SEZs have been considered by the Government and it has been decided that pending applications for SEZs may be processed for in principle & formal approvals and notifications subject to the condition that the State Governments would not undertake any compulsory acquisition of land for such SEZs. Further, it has been decided to fix the upper limit of the area required for multi product SEZs at 5000 hectares with the provision that the State Governments may prescribe a lower limit and to fix the minimum processing area limit uniformly at 50% for multi product SEZs as well as sector specific SEZs. Further the Ministry of Rural Development has been requested to reformulate a comprehensive Land Acquisition Act to address all relevant issues and also to work out a comprehensive Resettlement and Rehabilitation Policy ensuring livelihood from the project to at least one person from each displaced family.

†Original notice of the question was received in Hindi.